Secta. II-27—100,000—21-5-52.

Food (1948) Department.

Ms. SERIES.

G.O. No. 537

Dated 12.6.48.

[Despatch Abstract.]

Civil Supplies - Kerosene - Decontrol - Papers Recorded

Copy of letter No.104/WLB/1473 from Caltex(India) Limited to the Deputy Commissioner of Civil Supplies Chepauk, dated February 19th 1948.

DECONTROL OF KEROSENE.

We have the honour to acknowledge receipt of your letter Ref. P.15168-48-1-C.S., dated 30th January 1948, and would reply as follows to your detailed questionnaire on the reverse of your communication:

(i) Our statistics are kept on a basis of the calendar year, and the figures outlined below represent the allotment of Caltex Kerosene for ~~purpose~~ Madras area and districts, and we trust that this will serve your purpose. The figures shown represent units of 8 Imp.gallons.

Kerosene allotment for each of the districts in Madras Province for the years 1944 to 1947.

	1944	1945	1946	1947.
1. Anantapur	9,841	12,016	16,977	19,036
2. Bellary	8,887	10,660	14,743	16,326
3. Chingleput	9,430	10,963	14,353	20,624
4. Chittoor	4,696	5,411	7,776	8,070
5. Coimbatore		x	x	
6. Cuddapah	4,143	4,703	6,880	7,698
7. East Godavari	26,202	31,200	43,859	48,958
8. Guntur	10,268	13,731	18,956	23,139
9. Kistna	19,600	23,488	33,285	36,750
10. Kurnool	4,735	5,487	7,754	9,071
11. Madras		x	x	
12. Madura		x	x	
13. Malabar		x	x	
14. Nellore	3,919	5,317	6,446	6,776
15. North Arcot		x	x	
16. Ramnad		x	x	
17. Salem		x	x	
18. South Arcot		x	x	
19. South Canara				
20. Tanjore		x	x	
21. The Nilgiris	260	396	606	397
22. Tinnevelly		x	x	
23. Trichinopoly		x	x	
24. Vizagapatam	13,939	16,531	23,235	25,833
25. West Godavari	15,207	17,373	22,033	29,126
Total...	215,574	368,490	511,834	596,551

ii. The system of distribution of kerosene in rural and urban areas is done through the medium of Company agencies and dealers

iii. Using 1941 as a normal consumption period, our total output for that year was 629,335 units of 8 Imp.gallons each. We regret that we are unable to give you a district breakdown figure of 1941 sales as our records for that period a incomplete.

iv. We see no reason why kerosene should not be decontrolled as distribution this would undoubtedly discourage any immediate tendency towards a large increase in consumption r sulting from decontrol. We would however, recommend that control of prices remain until such time as the overall supplies position materially improves.

We trust that the information given herein will be of assistance to you. Should there be any further questions, or in the event that we can be of any further assistance to you, would be very pleased to call on you and discuss the entire matter in greater detail.

-----(Sd.) x x x x,
Superintendent.

13-2-48.

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A few products on a quota basis through our agencies would continue.

BOARD OF REVENUE (CIVIL SUPPLIES).

Subject.

Civil Supplies - Kerosene - Allotment in urban and rural areas - Decontrol of kerosene - Remarks - Submitted.

Copy of Bd's Ref.No.1568/48.M(CS), dated 20th April 1948. from the Commissioner of Civil Supplies, Madras and Deputy Commissioner (General), Chepauk, Madras addressed to the Secretary to Government, Food Department, Madras (with enclosure).

Ref:. 1. From the Govt. Food Deptt. Memo.No.3261-F/48-1., dated 27-1-1948.
2. Board's Ref.No .P.15168/48-3.CS., dated 11.2-1948.
3. From M/S.Standard Vacuum Oil Co., No.560-M, d/11-2-1948.

With reference to the Government Memo. first cited, the Board submits a copy of the letter third cited from M/S.Standard Vacuum Oil Co., Madras and offers the following remarks on the points raised in the Government Memo.

Point I:- The total allotment of Kerosene for the Madras Province for the years, 1944-45, 45-46, 46-47 and 47-48 for each district in the Province.

A statement showing the total allotment of kerosene for the Province for the years 1944-45 to 1947 48 is enclosed (Statement I). A summary of the same for the same whole province is given below. The figures given are in terms of units of 8 Imp. gallons.

NAMES OF OIL COMPANIES.	1944.	1945.	1946.	1947.
Burmah Shell.	1279900	1423011	2006220	2297698
Caltex	215574	368490	511834	596551
S. V.O.C.	611909	667816	929269	1091432
Total ...	2107383	2459317	3447323	3985681

As regards separate figures for rural and urban areas details have been furnished only by some Collectors, and they have been consolidated in the statement enclosed (Statement No.II).

POINT II:- THE SYSTEM OF DISTRIBUTION NOW ADOPTED IN RURAL A URBAN AREAS:-

The distribution of kerosene is made through the following agencies:-

1. Primary wholesale dealers.
2. Secondary wholesale dealers.
3. Retail.dealers.

The primary wholesale dealers are the agents of oil companies and they import Kerosene every month. The imported quotas are distributed to secondary wholesalers in each taluk, based on prewar consumption. The secondary wholesalers in their turn distribute kerosene to retailers in accordance with distribution statement prepared by the Revenue Divisional Officers Retailers have been appointed for each village or for a group of villages according to their size and character. In cases where retailers are appointed four groups of villages, hamlets, they have been instructed to go around once a month to the villages or hamlets as the case may be and sell kerosine The distribution of kerosene in each district is made according to the stocks available in the district every month.

P.T.O.

BOARD OF REVENUE (CIVIL SUPPLIES).

Subject.

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The distribution of kerosene to consumers in rural and urban areas is made under Informal rationing system. In urban areas, the quota to each house-holder is fixed in sonsultation with the Rationing Advisory Committees with reference to the size of the house, the status of the family and other considerations such as the number of school-going children etc. The scale of ration varies from 1 to 4 bottles per month for non-electrified houses (and 1/2 to full bottle per month for electfied houses). In rural areas, the lists of familieswith the requirements of each have been compiled with- and kerosene is sold to the families by the rural areas varies from 1/4 to full bottle per month and it also varies from district to district.

Standing permits to offices, firms, Institutions, Hospitals, Industrial concerns, Bulk consumers etc., and special permits to others who require more than the quantities allowed under the Informal rationing scheme are also issued by the Rationing Officers, R Revenue Divisional Officers and the Collectors as the case may be.

POINT III:- THE NORMAL CONSUMPTION OF KEROSENE IN THE PROVINCE.

Importing oil companies consider that 1941 may be taken as the period of normal consumption. They estimate the normal consumption for the whole province as follows:-

NAME OF OIL COMPANIES.	NORMAL CONSUMPTION IN UNITS OF 8 GALLONS EACH.
Burma Shell	28,31,070
Caltex	6,29,335
S.VO.C.	15,04,800
Total...	49,65,205

The normal consumption for each district as furnished by the Collectors is given in the enclosed statement (No.II).

POINT IV:- WHETHER IT IS DESIRABLE TO DECONTROL KEROSENE:-

From the reports of the oil companies it is seen that the position of kerosene has not improved even after the war. The Government of India have recently announced a further cut of super or and inferior oil for civil consumption. There is world deficiency in the production of oil and added to this. there is shortage of steel and tin and movement difficultifes. However Importing oil companies are more or less in favour of decontrol. In their view, control over distribution may be relaxed as they say that the distribution of this product on a quota basis through their Agencies would continue and this would undoubtedly discourage any immediate tendency towards a large increase in consumption, resulting from decontrol. They however recommend that control over prices should continue until such time as overall supply position materially improves.

The opinions given by the Collectors on this question are divided. The City Rationing Officer, Madras and sixteen Collector are not in favour of decontrol while eight Collectors are in favour of decontrol. In any case considering that the procurement and distribution of kerosene is on an All India basis, it might not be appropriate for the Provincial Government to take a unilateral decision. The oil companies have a very large voice in the matter of distribution both amongst Provinces and within Provinces. The individual consumers especially after the abolition of statutory and rural rationing, are dependent on the favours of village munsiffs. When Government have taken the bold step of decontrolling sugar and pulses and of releasing the stranglehold over rice in many areas of the province, they should not think that the continuance of the limited control over kerosen is essential. The present system of procurement and distribution is not fool-proof. The Board therefore submits that the present circumstances, when the system of distribution of kerosene is far from satisfactory and as we know very little about the general

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the general supply position, there is no objection to decontrol kerosene on the procurement side (from companies to districts) if the Government of India consider that such a course is necessary.

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Copy of letter No.560-M, dated 11-2-1948 from Standard Vacuum Oil Company, Madras, to the Board of Revenue (Civil Supplies).

We beg to acknowledge receipt of your letter No.P.15168-48-1, CS., dated 30-1-1948 together with the attachment which is your No.P.15168-48-2, Cs, dated 30-1-1948 addressed to the Collectors. We regret the delay but this is due to the time consumed in securing the figures required by you and we reply to your questionnaire as below:-

(1) We give below the allotment of Standard-Vacuum Oil Company's kerosene to the Madras Province by districts for the period required by you. Please note that this period is from April 1st to March 31st:-

IN UNITS OF 8 IMP.GLNS.

DISTRICT.	1944	1945	1946	1947.
Anantapur	18218	22586	31217	38159
Bangalore Cantt.	8038	8959	12210	13754
Bellary	9932	10996	14672	17810
Coimbatore		xx	xx	
Chingleput		x	xx	
Chittoor	8756	9446	12048	15181
Cuddapah	7925	7739	11158	13570
East Godavari	39220	42995	58695	70920
Guntur	22387	23155	31939	36347
Kistna	12523	13639	18740	21248
Kurnool	8299	10325	15141	17139
Madras city		x	x	
Madura	x	x	x	
Malabar	x	x	x	
Nellore	5833	5950	8569	10400
Nilgiris	4051	4487	6681	7680
North Arcot	x	x	x	
Ramnad	x	x	x	
Salem	x	x	x	
South Arcot	x	x	x	
South Kanara	x	x	x	
Tanjore	x	x	x	
Tinnevelly	x	x	x	
Vizagapatam	16712	20105	27731	32971
West Godavari	24514	26045	32583	40914

(iii) Providing unlimited supplies become available and that controls were removed, we estimate the normal consumption of Standard-Vacuum Oil Company's kerosene to be 15,04,800 units of 8 imperial gallons per annum.

(v) The question of decontrol of kerosene is a problem which must have very seious consideration for the folllowing reasons.

(a) Present shortage of petroleum products through the world
(b) Shortage of transport both Maritime and Railway;
(c) Shortage of packages, especially tinplate, 4-gallon and 44 gallon drums.

We as an Oil Company, are more or less in favour of decont. but as stated above, the supply and delivery position must not be given careful consideration. However, if the Government should decide to discontinue control it would necessarily fall upon the Oil Companies to continue on more or less the same system viz., on a quota basis as is now under effect under Government control. If there is any further information you require we shall be glad to be of assistance and if you so wish, we are prepared to discuss the situation with you personally.

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gs/

Statement showing the district war allotment of kerosene made

(The figures given are

Sl. No.	Name of District	1944				1945			
		Burmah Shell	Caltex.	S.V.O.C.	Total.	Burmah Shell.	Caltex	S.V.O.C.	
1.	2.	3.	4.	5.	6.	7.	8.	9.	
1.	Anantapur	22527	9841	18218	50586	25681	12016	22586	
2.	Bellary	17949	8887	9932	36768	19103	10660	10996	
3.	Chingleput						x		
4.	Chittoor	13704	4696	8756 ~~88~~	27156	15229	5411	9446	
5.	Coimbatore					x			
6.	Cuddapah	29549	4143	7925	41617	32095	4703	7739	
7.	E.Godavari	63160	26202	39220	128582	74198	31200	42995	
8.	Guntur	95187	10268	22387	127842	111833	13731	23155	
9.	Kistna	61741	19600	12523	93864	72379 ~~23488~~	23488 ~~43639~~	13639. ~~499506~~	
10.	Kurnool	18390	4735	8299	31424	22129	5487	10325	
11.	Madras			x				x	
12.	Madura				x				
13.	Malabar			x					
14.	Nellore	46566	3919	5433	55918	48254	5317	5950	
15.	NorthArcot				x				
16.	Ramnad			x					
17.	Salem				x			x	
18.	South Arcot				x				
19.	South Kanara			x			x		
20.	Tanjore					x			x
21.	TheNilgiris				x				
22.	Tinnevelly				x				
23.	Trichinopoly.						x		
24.	Vizagapatam	86716	13939	16712	117367	100289	16531	20105	1
25.	W. Godavari	49702	15207	24514	89423	57790	17373	26045	1
	Total ...	1279900	215574	611909	2107383	1423011	368490	667816	24

gs/-

e by the three Principal Oil importing Companies during the
in Unit of 8 Imperial gallons)

	1946				1947			
Total 10.	Burmah Shell 11.	Caltex 12.	S.V.C.C. 13.	Total. 14.	Burmah Shell. 15.	Caltex. 16.	S.V.O.C. 17.	Total. 18.
0283	37839	16977	31217	86033	38560	19036	38159	96755
0759	26352	14743	14672	55767	30561	16326	17810	64697
		x						
0086	21744	7776	12048	41568	25651	8070	15181	48902
			x					
4537	46385	6880	11158	64423	49803	7698	13570	71071
8393	101114	43859	58695	203668	114115	48958	70920	233993
3719	158926	18956	31939	209821	179550	23139	36347	239036
0506	100738	33285	18740	152763	116473	36750		
9738	~~33285~~	~~18740~~	~~152763~~	~~116473~~	~~36750~~	~~21248~~	21248	174471
7941	30479	7754	15141	53374	34916	9071	17139	61126
				x				
			x					
							x	
	x				x			
4521	67289	6446	8569	82304	80998	6776	10400	98174
			x		x			
				x			x	
					x			
						x		
					x			
						x		
	x				x			
	x			x				
		x			x			
36925	134809	23235	27731	185775	152441	25833	32971	211245
01708	78133	22033	32583	132749	89063	29126	40914	159103
59317	2006220	511834	929269	3447323	2297698	596551	1091432	3985681

(Sd.) A.S.Krishnamurthi,
Superintendent,
Board of Revenue(C.C.)

EMENT II.

STEMENT showing theallotment of kerosene forth. eral districts made during the years 1944-48 and the district wari normal consumption of kerosene.

Sl. No.	District.	The total allotmentof kerosene for Madras Province in units of 8 ImperialGallons.								The normal consumption of kerosene per year in Madras Province in units of 8 Imp. gallons.
		1944-1945		1945-1946		1946-1947		1947-1948		
		Urban	Rural	Urban	Rural.	Urban	Rural	Urban	Rural	
1.	Anantapur		69895		79700		1,09,143		1,02,239	1,03,300
2.	Bellary	27,057	21,786	36,330	22,553	43,340	45,968	52,025	43,654	90,978
3.	Cuddapah		4?,514		46,734		71,775		62,231	1,20,000
4.	Chingleput		x		x		x		x	
5.	Chittoor	9,636	11,840	10,509	11,742	13,824	19,887	12,030	20,123	35,424
6.	Coimbatore		x		x		x		x	
7.	East Godavari	30,017	1,00,061	30,060	1,22,483	35,362	18,451	39,025	1,72,385	2,26,788
8.	Guntur		1,31,270		1,60,023		2,33,932		2,13,581	3,20,000
9.	Kistna	25,945	53,069	30,423	63,394	39,976	99,029	44,251	84,898	88,128
10.	Kurnool		31,424		37,941		53,374		61,126	45,966
11.	Madras		x		x		x		x	
12.	Malabar		x						x	x
13.	Madura		x						x	x
14.	Nellore	14,580	41,338	16,863	42,659	23,371	58,943	21,476	76,718	1,00,000
15.	North Arcot		x						x	x
16.	The Nilgiris		x				x			x
17.	Ramnad		x							x
18.	South Arcot		x						x	
19.	Salem				x					x
20.	South Kanara				x		x			x
21.	Trichinopoly				x				x	x
22.	Tanjore		x				x			x
23.	Tinnevelly				x					
24.	Vizagapatam		1,03,938		1,25,688		1,73,464		1,99,306	2,45,517
25.	West Godavari	25,211	65,149	33,396	68,066	40,154	1,06,300	37,430	97,653	98,748
									Total ...	41,29,471

(Sd.) [illegible].Krisrnamurthi,
21-4-48.

GOVERNMENT OF MADRAS
Food Department
Letter No.3261F/48-12, d/8--5--1948.
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XXXXXXX

To
The Secretary to the Government of India,
Ministry of Works, Mines and Power, NEW DELHI.

Sir,

Sub Civil Supplies -Kerosine.
Ref Mr.A.K.Sen's letter No.WMP.(PD)-505 (10), dated 31-3-1948.
2. Mr. S.S.Puri's letter No.WMP(PD)12/2-A, dated 14-4-1948.

I am directed to invite a reference to the two letters cited In the first letter cited, the Government of India have intimated their decision to withdraw with effect from 1-4-48 the control which they had been exercising on the main port selling prices of kerosine, while in the letter second cited they have intimated their decision making a further cut of 33-1/3 per cent and 20 per cent in the current releases of superior and inferior kerosine respectively with effect from the same date, viz., 1-4-1948. The Government of India have also stated that this cut would reduce the civil consumption to about 59 per cent of the 1941 average off-take. It is not clear why at a time when an appreciable reduction has had to be made in the releases of kerosine for consumption in the country, control over the main port selling prices of kerosine has been removed enabling the oil companies thereby to charge what prices they like. I am therefore to enquire why the Government of India have abolishe the control over the main port selling prices of kerosine, whether the removal of such control is only temporary and what is the future policy that the Government of India propose to follow in regard to the prices and distribution control over kerosine.

2. As the Government of India may be aware, at present there is control in this Province both over distribution and prices of kerosine. Wholesale and retail kerosine dealers are licensed under the Madras kerosine Control Order 1947 and under the same order wholesale and retail prices of kerosine are also fixed, on the basis of the oil companies prices f.o.r. of oil in bulk.

I am directed to request a very early reply to this communication because on its receipt this Government propose to decide their future policy in regard to prices and distribution control over kerosine in this Province.

I have etc.,
Your obediant servant,

xxxxxxx,
Secretary to Government.

Copy of Government Letter No.3261 F/48-13, dated 8-5-1948 from Food Deptt. addressed to the Chief Secretary to the Governme of Bombay and the Chief Secretary to the Govt. of Central Provinces and Berar - Nagpur.

Sub: - Civil Supplies - Kerosine.

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I am directed to enquire whether your Government are not exercising any control over the prices and distribution of kerosine in your Province and if so to request you to indicate the nature of such control. I am also to enquire what is the policy which the Government propose to follow in future in regard to the control over distribution and prices of kerosine in your Province. The favour of a very early reply is solicited.

P.T.O.

Copy of letter No.2718-4398-OII.PC., dated 19th May, 1948 from the Government of the Central Provinces and Berar, Civil Supplies Department addressed to the Secretary to the Government of Madras, Food Department, Fort St. George, Madras.

Subject:- Civil Supplies - Kerosene -

I am directed to refer to your letter No.3261-F/48-13, dated the 8th May, 1948 and to say that control over the prices and distribution of kerosene is still being continued in this Province. A copy of the Central Provinces and Berar Kerosene Control Order, 1943, is enclosed herewith which will indicate the nature of the control.

As regards future policy, the Provncial Government have decided to continue the control over the prøices and distribution of kerosone oil.

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COMMERCE AND INDUSTRY DEPARTMENT

Nagpur, the 18th November 1943.

No.6578-4851-VII-P.C.--In exercise of the powers conferred by sub-rule (2) of rule 81 of the Defence of India Rules, the Provincial Government is pleased to make the following order, namely:-

1. (1) This Order may be called the CENTRAL PROVINCES AND BERAR KEROSENE CONTROL ORDER. 1943.

(2) It extends to the whole of the Central Provinces and Berar.

(3) It shall come into force on the 1st of December, 1943.

2. In this Order, unless there is anything repugnant in the subject or context--

"dealer in kerosene" means a person dealing in the purchase, sale or distribution of kerosene and "deal in kerosene" shall be construed accordingly;

"form" means a form appended to this Order;

"Importing Company" means the Burmah Shell Oil Storage and Distributing Company of India, Limited, or the Standard Vacuum Oil Company, or the Indo-Burman Petroleum Company, Limited, or Caltex (India) Limited;

"Kerosene Controller" means the District Magistrate of the district or any officer authorised by him;

"Retail dealer" in kerosene means a dealer in kerosene other than a wholesale dealer in kerosene.~~other than a wholesale dealer in kerosene;~~

"Wholesale dealer in kerosene" means a dealer in kerosene who whe sells kerosene oil at the wholesale rate fixed under this Order and would normally sell kerosene in quantities of not less than four gallons at a time.

3. (1) With effect from the 1st of December 1943, no person other than an Importing Company or a whole-sale dealer in kerosene or a retail dealer in kerosene shall sell kerosene and no person other than a whole sale dealer in kerosene or a retail dealer in kerosene shall purchase kerosene except for h his own consumption.

(2) With effect from the 1st December 1943 no Importing Company or other dealer in kerosene shall deal in kerosene except under and in accordance with this Order and any directi issued under it. (on

(3) No person shall do business as a wholesale dealer in kerosene unless he is an agent of an Importing Company or his name is included in the list maintained by a wholesale dealer who is an agent of an Importing Company under the instructions of the Kerosene Controller. No person shall do business as a retail dealer in kerosene unless his name is entered as a retail dealer in the list maintained by a wholesale dealer in accordance with sub-clause (2) of clause 5.

(4) Every wholesale dealer in kerosene who does business as a retail dealer in kerosene shall show his name as a retail dealer in kerosene in the list of retail dealers maintained by him.

4.(1) With effect from the 1st December, 1943, every wholes dealer in kerosene who is an agent of an Importing Company shall submit to the Kerosene Controller on or before the 5th of each month exact details of the quota for that month /pto.

month allotted to him by the Importing Company of which he is an agent and he shall also give details of any increase in quota advised to him by the Importing Company during the course of the month immediately on receipt of the advice.

(2) Every Importing Company shall on or before the date fixed by the Kerosene Controller supply to him a list containing the names and addresses of all their kerosene agents within the jurisdiction of such Kerosene Controller.

(3) Every agent of Importing Company shall furnish a list containing the names and addresses of any other wholesale dealers in kerosene who at the time of compilation of the list depended for their supply of kerosene on him. No name shall be added to or removed from this list except with the approval of, of the at the instance of, the Kerosene Controller. A copy of this list shall be maintained in a the agent's place of, business.

5. (1) With effect from the 1st December 1943 every wholesale dealer in kerosene shall submit to the Kerosene Controller on or before the 10th of each month a statement in Form I.

(2) Every wholesale dealer in kerosene shall, on or before the date fixed by the Kerosene Controller, supply to him a list containing the names of all retail dealers in kerosene who at the time of the compilation of the list depended for their supply on him. No name shall be added to, or removed from, such lists except with the approval of, or at the instance of, the Kerosene Controller. A copy of such list shall be maintained by the wholesale dealer at the place of his business.

6. (1) No wholesale dealer in kerosene, other than an Importing Company, shall sell kerosene to another wholesale dealer in kerosene except under and in accordance with the orders of the Kerosene Controller.

(2) No wholesale dealer in kerosene shall sell kerosene to any retail dealer in kerosene whose name is not borne on the list maintained by him under sub-clause (2) of clause 4.

(3) No wholesale dealer in kerosene shall sell kerosene to any retail dealer in excess of such quantity as may be fixed by the Kerosene Controller by a direction issued under clause 13.

7. (1) Nothing in this clause shall however be so construed as to prohibit any dealer from doing business both as a wholesale and as a retail dealer.

(2) Subject to any directions issued by the Kerosene Controller under clause 13, no retail dealer in kerosene shall sell kerosene to any one consumer in excess of one bottle, on any one day.

8. The kerosene Controller may grant a permit signed byhim to any person for the purchase of kerosene for his consumption and no wholesale dealer in kerosene shall refuse to supply the quantity specified in the permit if his stocks and quota permit.

9. Subject to such directions as may be issued by the Kerosene Controller under clause 13, every dealer in kerosene shall apportion the quantity of kerosene allocated to him each month evenly over t the whole month and shall not withhold kerosene from sale as long as the full quota for each day has not been sold.

10. Every retail dealer in kerosene shall have in his possession ready for use in his business as many of the measures specified below as the Kerosene Controller may, by general or special order, direct and all such measures shall have clearly marked upon them their capacity:-

MEASURE AND CAPACITY.

Bottle --1/6 gallon contd:-

Half bottle--1/12 gallon.
Quarter bottle - 1/24 gallon.

11. No Importing Company, wholesale d aler in kerosene, or retail dealer in kerosene shall have in its/his possession or under its/his control any kerosene in any quantity either less or more than the quantity revealed by its/his account.

12. The Kerosene Controller may, from time to time, fix the proces at which kerosene shall be sold by the wholesale dealers in kerosene and retail dealers in kerosene, and no dealer in kerosene shall charge prices in excess of the prices so fixed.

13. (1) The Kerosene Controller may, from time to time, issue directions in regard to the sale, selling price, purchase, storage or distribution of kerosene, and in regard to the removal of the name of any wholesale dealer in kerosene, who is not an agent of Importing Company or retail dealer in kerosene from the lists maintained by the wholesale dealers in kerosene and every wholesale dealer in kerosene and retail dealer in kerosene shall comply with any such directions.

(2) Every Importing Company shall, on being asked so to do by the Kerosene Controller, communicate to every wholesale dealer in kerosene whose name appears on the list of agents maintained by it, and every wholesale dealer in kerosene shall communicate to every retail dealer or wholesale dealer in kerosene whose name appears in the lists maintained by him the directions issued from time to time by the Kerosene Controller.

14. Every wholesale dealer in kerosene and every retail dealer in kerosene with fixed premises shall display in a conspicuous place in the place of his business a copy of the table showing th prices fixed under clause 12 together with its translation in the language of the district.

15. Every wholesale dealer in kerosene shall issue to every purchaser a receipt or invoice giving his own name, address, ---the date of transaction, the quantity, the price per unit and the total amount charged in respect of each wholesale sale made by him and shall keep a duplicate of such receipt or invoice for inspection on demand by any officer authorised by the Kerosene Controller in this behalf. Every retail dealer in kerosene shall issue a similar receipt or invoice to a purchaser if demanded by him.

16. Every wholesale dealer in kerosene shall maintain a register of daily accounts in Form II in respect of all wholesale s sales made by him and if he does business as a retail dealer in kerosene he shall maintain separate accounts of retail sales made by him.

17. Every dealer in kerosene shall give all facilities at all reasonable times to the Kerosene Controller or any officer autho---rised by him for the inspection of accounts and stocks of kero sene and for taking samples of such kerosene for examination.

18. Any officer authorised by the Kerosene Controller may enter upon and inspect any premises in which he has reason to believe that the purchase, sale or storage for sale, or distribution of kerosene is taking place contrary to the provisions of this Order or any direction or order made thereunder.

19. Nothing contained in this Order shall apply to the supply of kerosene by an Importing Company or by the agents of such Importing Company in accordance with the Company's instructions to its own employees, to Government bodies, military works or offices, railways and to local authorities.

20. If any person contravenes any provision of this Order or any direction, order or instruction issued under it by the Kerosene Controller, then without prejudice to any other punishment to which such person may be liable, any Court trying the offence may order that the stocks of kerosene, p.t.o.

kerosene, together with the tins thereof, in respect of which the Court is satisfied that the offence has been committed shall be forfeited to His Majastry.

By Order of the Governor, C.P. & Berar,
A.G.F.FARQUHAR, Secy.

ORDERED that this Order be published in the CENTRAL PROVINCES AND BERAR GAZETTE and by beat of drum in such places as the Deputy Commissioner may specify and by affixing the copies of the Order at the District and Tahsil Offices.

A.G.F. FARQUHAR, Secy.

FORM I
FORM OF MONTHLY RETURN

(See clause 5(1).)

Return of stocks, receipts and deliveries for the month ending . . . . . .

Name. . . . . .

Address. . . . . .

Opening stock on the list of the month of return.	Date & quantity of fresh supply received during the month from the Depot.	Date and quantity of fresh supply if any received during the month from other wholesale dealers in kerosene.	Quantity sold to retail dealers in kerosene during the month.	Quantity sold to another wholesale dealer in kerosene, if any, during the month.	Quantity sold by self by way of retail sale during the month.	Opening stock on the 1st of the current month
1	2.	3.	4.	5.	6.	7.

Godown leakage
8.

. . . . . ,
SIGNATURE.

FORM II

REGISTER OF DAILY ACCOUNTS FOR KEROSENE

(See Clause 16.).

Cr. Dr.

Date.	Opening stock	Particulars of supply received.		Date.	Particulars of sale made.	
		Name and addresses of suppliers.	Quantity		Names and addresses of purchasers.	Quantity
1.	2.	3.	4.	5.	6.	7.

****

GOVERNMENT OF THE CENTRAL PROVINCES AND BERAR,
Civil Supplies Department

NOTIFICATION.

Dated Nagpur, the 23rd July 1947.

No.5008-VII P.C. In exercise of the powers conferred by section 3 of the Essential Supplies (Temporary Powers) Act, 1946 (XXIV of 1946) read with the Government of India Department of Works, Mines and Power p.t.o.

Notification NoP-110(1), dated the 12th December, 1946, the Provincial Government is pleased to direct that the following amendments shall be made in the Central Provinces and Berar Kerosene Control Order 1943, published under this Department notification No.6578-4851-VII P.C., dated the 18th November 1943, namely:-

AMENDMENTS.

In clause 13, -

(a) in sub-clause (1), the words, "who is not an agent of an Importing Co." shall be deleted;

(b) after sub-clause (1), the following new sub-clause shall be inserted, namely:-

"(1-a) WHERE, in pursuance of the sub-clause (1), the Kerosene Controller issues a direction for the removal of the name of any wholesale dealer who is an agent of an ImportingCo., the Importing Co: shall given effect to such direction and in consultation with the Kerosene Controller appoint another wholesale dealer as its agent for the purposes of this Order."

By order of the Governor,
Central Provinces and Berar,

S.K. BANERJI,

Secretary to Government,
Central Provinces and Berar,
Civil Supplies Department.

ORDERED that the notification be published in the Central Provinces and Berar Gazette and copies be affixed in District and Tahsil Offices.

S.K. Banerji,

Secretary to Government,
Central Provinces and Berar,
Civil Supplies Department.

No.5009-VII.P.C. dated Nagpur, the23rd July, '47.

Copy forwarded toall Deputy Commissioners, Central Provinces and/Berar, all Commissioners of Di isions, -do-
-do- and all Sub-Divisional Officers -do-
-do-
for information.

(Sd.)-S.K.
Banerji,
Secretary to Govt.
Central Provinces and
Berar, Civil Supplies Deptt.

Copy of Notification of Government of the Central Provinces and Berar, Civil Supplies Department, dated Nagpur, the 3rd September, 1947 ~~addressed to~~.

No.6608-9749-VII.PC., In exercise of the powers conferred by section 3 of the Essential Supplies (Temporary Powers) Act, 1946 (XXIV of 1946), read with the Government of India Department of Works, Mines and Power Notification No.P.110(1), dated the 12th December, 1946, the Provincial Government is pleased to direct that the following further amendment shall be made in the Central Provinces and Berar Kerosene Control Order, 1943, published under this department notification No.6578-4851-VII-P.C., dated the 18th November, 1943, namely:-

AMENDMENT.

In clause 10 under the heading "Measure and Capacity", after the words, dash and figures "Bottle - 1/6 gallon " the words and figures "or 26 2/3 fluid ounces" shall be added.

Ordered that the notification be published in the Central Provinces and Berar Gazette.

S.K.Banerji,
Secretary to Government
Central Provinces and Berar,
Civil Supplies Department.

and copy forwarded to All Deputy Commissioners etc. etc.

/True Copy/

~~Office Assistant~~,
Madras Record Office.

Copy of No.WMP(PD)-505(10), dated the 20th May, 1948, from the Ministry of Works Mines and Power, Government of India addressed to the Secretary to the Govt. of Madras, Food Department, Madras.

I am directed to refer to your letter No.3261-F/48-12, dated 8th May 1948 and to say that the Government of India decided to abolish the control over the main port selling prices of kerosine only after mature consideration. They have no intention to re-introduce it. Although the main port selling prices will not be controlled by the Centre, the Provincial and State Governments are free to exercise such control as they consider desirable at their own discretion in view of the shortage of kerosine availability. The power to do so under the Essential Supplies (Temporary Powers) Act 1946 have been delegated to Provincial Governments by this Ministry Notification No. P.110(1), dated 12th December, 1946.

It is believed that the established oil companies, viz. Messrs. Burmah-Shell, Standard Vacuum Oil Co. and Caltex (India) Ltd. will not take advantage of the present acute shortage to increase their selling price.

Copy of Bd's Ref.No.15168/48. M(CS), dated the 4th September 1948 from the Commissioner of Civil Supplies, Madras addressed to the Secretary to Govt., Food Deptt., Madras.

P.T.O.

Subject:- Civil Supplies -Kerosene - Allotment in Urban and Rural Areas - Decontrol of kerosene - Remarks - Submitted -

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Ref: 1. Bd's Ref.No.15168/48-M,CS., dated 20-4-1948.
2. Govt.'s Food Department, Memo.No.31657-F/48-1, dated 19-7-1948.

With reference to the Government Memo.second cited the Board submits that reports from all the Collectors except the Collector of South Arcot have been received, in regard to the decontrol of Kerosene, and a consolidated statement of the reports received is enclosed.

Seventeen Collectors (including the City Rationing Officer, for Madras), are not in favour of decontrolling kerosene. They report that the supply position is very unsteady and inadequate and that if Kerosene is decontrolled, the prices will so high and the poor labourers and middle class people will not be getting even the limited supplies that they are now getting. At present Madras Kerosene Control Order is working smoothly in the districts without any clamour from any quarter in the Presidency about non-availability of Kerosene. In view of this, the Board agrees with the majority of the Collectors and suggests that the question of decontrolling Kerosene may be deferred for the present. Besides, by decontrolling the Kerosene now, black-market activities will increase and this may not be in accordance with the present policy of the Government to check inflation.

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Sub:- Civil Supplies -Kerosene -Decontrol of Kerosene.

S. No.	Name of district:	Whether in favour of decontrol or not.	Remarks.
1.	Anantapur.	Not in favour of decontrol.	Blackmarket will thrive if decontrol is effected./~~Not in favour of decontrol. Not desirable~~
2.	Bellary	Not in favour of decontrol.	Not desirable especially when there is economic blockade to the Hyderabad State.
3.	Chingleput.	Not in favour of decontrol.	The scheme of control of Kerosene is inexpensive and is practically an informal one and has been working beneficially to the advantage of the poor villagers.
4.	Chittoor.	Not in favour of decontrol.	---
5.	Coimbatore	Not in favour of decontrol	---
6.	Cuddapah	Not in favour of decontrol	Inadequate supply position Decontrol will only result in the rise of prices as has been the case in respect of other decontrolled commodities.
7.	E.Godavari	Not in favour of decontrol	---
8.	Guntur	In favour of decontrol	The ceiling price of kerosene mus be fixed.
9.	Kistna	Not in favour of decontrol	~~The ceiling price of kerosene must be fixed.~~ Poorman's commodity. Supply position inadequate
10.	Kurnool	In favour of decontrol	The oil companies should be made responsible for an equitable distribution and make it available in all villages.
11.	Madras	Not in favour of decontrol	Supply position inadequate and unsteady.
12.	Madura	In favour of decontrol	If the supply position is maintaine at the level obtained in January to March 1948 and July 1948.
13.	Malabar	In favour of decontrol	Provided the supply position is steady.
14.	Nellore	Not in favour of decontrol	Price control is necessary for some time.
15.	North Arcot.	Not in favour of decontrol	---
16.	Ramnad.	Not in favour of decontrol	---
17.	Salem	Not in favour of decontrol	Until the Supply position improves.
18.	South Arcot	Report not received	
19.	South Kanara	Not in favour of decontrol	---
20.	Tanjore	In favour of decontrol	---
21.	The Nilgiris	Not in favour of decontrol.	Price will soar up.
22.	Tirunelveli	In favour of decontrol	---
23.	Tiruchirapalli	In favour of decontrol	---
24.	Vizagapatam	Not in favour of decontrol	---
25.	West Godavari	Not in favour of decontrol	---

(Sd.)A.S.Krishnamurthi,
Superintendent,
4-9-48.

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p.t.o.

Copy of Government Memorandum No.38397F/48-2., dated 1-10-1948 from the Food Department, Government of Madras addressed to the Board of Revenue (C.S.)

Sub: Civil Supplies Kerosene -Madras Province - Decontrol of kerosene - decision -
Ref: From the Board of Revenue (C.S.) No.15168/48 M(C.S.) , dated 4.9.1948.

In the circumstances stated the Government accept the proposal of the Board of Revenue (Civil Supplies) that the question of decontrolling Kerosene may be deferred for the present. The Board is however, requested to review the supply position of ~~early-i~~ kerosene early in January next and submit a detailed report in the matter not later than 15th January 1949.

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SUMMARISING NOTE.

This file relates to the question of decontrol of kerosene in this Province. At present kerosene is controlled in this Province under the Madras Kerosene Control Order 1947. Under this order, the wholesalers and retailers have to obtain licences for dealing in kerosene from the C.R.O., Madras or the Collector of the district concerned as the case may. These officers have also been empowered under this order to fix wholesale and retail prices of kerosene. These prices were based till recently on the main port selling prices of kerosene fixed by the Govt. of India. The Govt. of India recently withdrew their control over the main part selling prices of kerosene.

The distribution of kerosene is made through the following agencies, viz.-

1) Primary wholesale dealers.
2) Secondary wholesale dealers and
3) retail dealers.

The primary wholesale dealers who are the agents of the oil cos. import kerosene every month and the imported quotas are distributed to secondary wholesale dealers in each taluq based on pre-war consumption. The secondary wholesalers in their turn distribute kerosene to retail dealers in accordance with the distribution statements prepared by the R.D.Os. The distribution of kerosene in each ddistrict is made according to the stocks available in the district every month. The distribution of kerosene to consumers in rural and urban areas is made under an informal rationing system. In urban areas the scale of rations varies from 1 to 4 bottles per month for non-electrified houses and ½ to 1 bottle per month for electrified houses. ~~and ½-to-1-bottle-per-month-for-e~~ In rural areas the scale of rations varies from ¼ to 1 bottle per month and it also varies from district to district.

As regards the desirability or otherwise of decontrol of kerosene, it is submitted that the oil cos. have reported that there is world wide deficiency in the production of petroleum and shortage of steel and tin plate, and sea and rail transport together contribute to create conditions where supply falls shor of demand. These conditions are stated to be universal and not peculiar to India or Madras Province alone. All the oil cos. are in favour of removing control over the distribution of kerosene, but M/s. Burmashell and Caltex consider that control over prices of kerosene should be continued to prevent abuses such as profiteering and blackmarketing until such time as the overall supply position of kerosene improves. They also conside that it is still possible for them to continue the distribution under the quota system through their agencies even through Govt. control over distribution is removed. The Bd. considers that the limited control over kerosene is not essential and procurement and distribution, at present, is not fool proof, and therefore it recommends the decontrol of kerosene on the procurement side (from companies to districts) with the concurrence of India even though the C.R.O., Madras, and the Collectors of 16 districts are not in favour of decontrol. In reply to an enquiry from this Govt. regarding the future of control over Kerosene, the Govt. of India have replied to the effect that they have no intention to reintroduce control over the main port selling prices and that the Provincial Govts. are free to exercise such control as they consider desirable at their own discretion in view of the shortage of kerosene. The Govt. of India, while abolishing the control over main port selling prices of kerosene, have effected a series of cuts in the kerosene releases during the first two quarters of 1948. In this connection it is also submitted that the Govt. of C.P. and Bera have reported that they would continue to exercise control over kerosene in future also, and the Govt. of Bombay have stated that they have still control over prices while they have lifted control over distribution of kerosene except in the cities of Bombay, Poona, Sholapur and Ahamedbad. In the view of the series of cuts effected by the Govt. of India in the releasse of kerosene, the points for consideration are:-

P.T.O.

1) whether it will be decided not to decontrol kerosene at all and to continue the present system of control, in which case, the Kerosene Control Order will continue to be in force.

2) whether it will be decided to decontrol kerosene completely both on the procurement side (from companies to districts) and on the prices' side, and

3) whether thas recommended by the Bd. of Rev. the control over the procurement side alone (from companies to districts) will be removed.

Attention is also invited to the minutes of H.M.(Agri.) on p.3 above. The case may be circulated to H.M.(Food) and H.M. (Agri.) for orders.

The summarising note at pp.11-12 above may be perused. At the time when the question of decontrol and derationing of firewood in Madras City was under consideration H.M.(Agri) suggested that kerosene may be decontrolled. The Govt. of India were asked why at a time when an appreciable reduction has had to be made in the releases of kerosine for consumption in the country control over the main port selling prices of kerosine has been removed by them and what is the future policy that they propose to follow in regard to the prices and distribution control over kerosene. The Govt. of India have in resply merely stated that it is only after mature consideration that they decided to abolish the main port selling prices of kerosene, that they have no intention to reintroduce this control and that the Provincial Govts. are however free to exercise such control as they consider desirable at their own discretion in view of the prevailing kerosene shortage. Secretary suggested that we might find out what the Govts. of Bombay and C.P. andhad done in regard to kerosene decontrol. These Govts. were accordingly addressed. While the Bombay Govt. have stated that the question of future policy regarding prices and distribution of kerosene is still engaging their active consideration the C.P. and Berar Govt. have stated that they have decided to continue the control over prices and distribution of kerosene. The question for consideration is, whether, in view of the present shortage of kerosene supplies, the existing control over the distribution and prices of kerosene can be removed without thereby causing very great hardship to the poorer sections of the community, who may, in the event of decontrol, find it very difficult to obtain even their present in-adequate supplies of this very essential commodity. Viewing the question from this aspect it would appear that the existing control may be maintained for some time longer - say up to 30-9-48 - and the question of decontrol taken up for examination again early in September next in the light of conditions prevailing then. The case is submitted for orders in circulation to H.M.(Food) and H.M.(Agri). A

x x x

7.6.48.

The supply for 1948- is expected to be only half of what it was in 1941, when the demand has been consistently growing since then. 'A' at p.13 n.f. may be approved.

(A) Approved.
xxx
H.M.Food). T.S.S.R. 8.6.48

K.M.
8/6 (H.M) Agri.)

contd:-

With reference to orders in circulation above further action in this file may be taken on 1-9-48. A Call Book entry may be made against 1-9-48 and the papers recorded in a Mis.G.O.

x x x

12-6-48.

G.O.Ms.No.537 D/-12-6-1948

Sub: C.S. - Kerosene - Decontrol - Papers recorded -

FOOD DEPARTMENT.

NOTE FOR CIRCULATION.

The file relates to the question of decontrol of kerosene in the Province. The control over kerosene is now maintained under the Madras Kerosene Control Order 1947. The Government, in June 1948, examined in consultation with the Board of Revenue (C.S.) whether control over kerosene might be given up. They decided that decontrol of kerosene would adversely affect the poorer sections of the population in view of the shortage of supply at that time and that the control over kerosene might be kept on till September 1948 when the question might be reviewed. Please see notes and orders on p.11-14 n.f. of 'X'. The Board of Revenue (C.S.) in consultation with the Collectors has again examined the question of decontrol of kerosene and considers that for the following reasons, the control over kerosene should continue for the present.

(1) The supply position of kerosene is still unsatisfactory and unsteady.
(2) If decontrolled, prices will soar high and hardship will be caused to poorer and middle classes and black-market activities will increase.
(3) That the majority of the Collectors are against the decontrol of kerosene.
(4) Kerosene control is now working smoothly.

It is observed that although the Government of India have increased the provincial quota for the current half year, the supply is still only 83% of 1941 average offtake for Civil consumption and that the increase is only an ad-hoc increase and cannot be considered as permanent. The objections mentioned by the Board are therefore valid. Further, there is a possibility of controls being re-imposed in respect of all essential commodities. In the circumstance it is considered that decontrol of kerosene at this juncture will be harmful and that the Board's recommendation to continue the control may be accepted the question being reviewed in January 1949, if necessary, in the light of the then circumstances. The case may be circulated to H.M.(Food) for orders.

"A" above may be accepted.

Kerosene control shd. continue.

L.K.
24-9-48.

xxx
H.M.(Food).
27-9.

/True Copy/

R. Murugesan 4.8.04

Office Assistant,
Madras Record Office

gs/-30-1/

11/8/04